GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:650
ANSWERED ON:21.02.2003
US SCHEME
N.N. KRISHNADAS;VARKALA RADHAKRISHNAN

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Government believes that almost all the unit holders of US-64 scheme are likely to redeem their respective share from the UTI-I after May 2003, and get out and explore other safest investment avenues;

(b) if so, the estimated units slated for redemption;

(c) whether the Government have any proposal to give promotional offers to investors to re-invest the redeemed money in the mutual fund schemes or other Monthly Income Plan Schemes; and

(d) if so, the details thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDDRAO V ADSUL)

(a) to (b) Individual investors take investment/re-investment decision based on their risk-return perception, investment horizon, alternative avenues etc.

(c) to (d) Investors of US-64 will be given an option offive year, tax-free tradable bonds in lieu of cash payments at the time of redemption.